



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

September 11, 2006

TO: Agency Directors
Agency Operating and Capital Budget Officers

FROM: Victor A. Moore, Director 

SUBJECT: 2007 SUPPLEMENTAL BUDGET REQUESTS

First, I want to thank everyone for the timely submittal of 2007-09 biennial budget requests. Most agency requests have been received, and the Office of Financial Management (OFM) analysts have started their review in anticipation of upcoming budget discussions with the Governor.

During this same timeframe, we will also be considering any supplemental budget adjustments that might be necessary for the enacted 2005-07 budget. If your agency is facing a change in mandatory caseload, workload or other critical expense that cannot be accommodated within current appropriations, you should submit a supplemental budget request to OFM by Tuesday, October 17.

Please remember that legislative passage of the supplemental budget typically occurs in March or April, so there is little time left in the current biennium for these final expenditures. We expect the 2007 supplemental budget to involve primarily technical changes. New initiatives are more appropriate for consideration in the budget for next biennium.

Operating Supplemental Budget Requests

When submitting supplemental budget requests, please use the decision package format described in the 2007-09 OFM Budget Instructions, making sure your justification fully describes why costs cannot be absorbed within your existing budget. Agencies must indicate how the costs (expenditures by account and fiscal year, and FTEs) of each decision package should be assigned to activities. Any proposed supplemental budget revenues should be included in the same decision package used for the corresponding expenditure items.

Agencies must use the Budget Development System (BDS) to submit their supplemental operating budgets electronically and include the following elements:

1. The Recommendation Summary report from BDS
2. Justification in the standard budget decision package format for each item listed on the Recommendation Summary. (The format can be found in BDS and the OFM Operating Budget Instructions at <http://www.ofm.wa.gov/budget/instructions/contents.htm>)
3. A Summarized Revenues Report from BDS for those agencies submitting revenue changes

Capital Budget Supplemental Requests

If your agency has potential technical or financial capital budget issues that need to be addressed in the 2007 legislative session, please first contact your assigned OFM capital budget analyst or Tom Saelid, Senior Budget Assistant for the Capital Budget, at (360) 902-0562 to notify them of your intent. Upon confirmation from your capital budget analyst to proceed, the agency should submit a capital budget request for each project. Agencies must use the Capital Budget System to submit their budgets electronically. Elements of the package include:

1. Ten Year Capital Program Summary (C1)
2. Capital Project Request (C2)
3. Agency/Institution Project Cost Estimate, if required. (C100) Please submit this both in hard copy and on a CD.

Agencies should submit five copies (higher education agencies and agencies with transportation funding should submit seven paper copies) to:

Sasha Doney
Office of Financial Management
300 Insurance Building
P.O. Box 43113
Olympia, WA 98504-3113

cc: Beth Redfield, House Transportation Committee
Charlie Gavigan, House Appropriations Committee
David Schumacher, Senate Ways and Means Committee
Dave Johnson, House Appropriations Committee
Mike Groesch, Senate Highways and Transportation Committee
Mike Wills, Senate Ways and Means Committee
Brian Sims, Senate Ways and Means Committee
Susan Howson, House Capital Budget Committee